

VZCZCXYZ0001
PP RUEHWEB

DE RUEHCP #0061 0331506
ZNR UUUUU ZZH
P 021506Z FEB 09
FM AMEMBASSY COPENHAGEN
TO SECSTATE WASHDC PRIORITY 4749

UNCLAS COPENHAGEN 000061

SENSITIVE
SIPDIS

FOR EEB/ESC/TFS - SONATA COULTER AND NEA/IR - SARAH GROEN

E.O. 12958: N/A

TAGS: ENRG EPET ETTC PREL DA IR

SUBJECT: DANISH REPLY TO DEMARCHE ON DISCOURAGING NEW DEALS
IN IRAN'S ENERGY SECTOR

REF: A. 08 STATE 125575

1B. 08 COPENHAGEN 650

1C. 30 JAN 09 COULTER E-MAIL

11. (SBU) This is an action request. Please see paragraph 4.

12. (SBU) The Charge was convoked on February 2 by MFA Political Director Carsten Damsgaard to follow up on our demarche regarding the present or planned pursuits of a Danish company, Haldor Topsoe, to sell catalytic converters to Iran for use in oil refineries (Refs A and B). Damsgaard stressed that Denmark continues to support a tough stance on Iran's nuclear program and fully supports ongoing P-5 efforts to tighten economic sanctions, adding that Denmark will seek to build EU consensus on a firm approach toward Iran if P-5 efforts do not prosper. He said that, in response to our demarche, he had met last week with the senior management of Haldor Topsoe to apprise them of the Danish government's stance on Iran and to share the concerns raised in our demarche. Damsgaard stated that Haldor Topsoe officials are weighing the consequences of doing business with Iran but made no commitments.

13. (SBU) Damsgaard noted that the MFA has learned that three U.S.-based companies are also engaged in business in Iran in a similar field as Haldor Topsoe. He stated that, just as the Danish government is willing to speak to its companies about its position on Iran and on the risks of doing business with Iran, Denmark would appreciate similar outreach efforts by the USG with American firms that may be doing business in the Iranian energy sector. In particular, he cited three specific companies: UOP (a division of Honeywell); Albemarle, a company he claimed to be a direct competitor of Haldor Topsoe in selling catalytic converters; and KBR. We note that these three companies, like Haldor Topsoe, were listed in the French "Coordinated National Measures" framework paper that we understand may have helped drive the original demarche (Ref C). Although Damsgaard did not reveal the source of his information about the three companies, we suspect it came from his meeting with Haldor Topsoe executives.

14. (SBU) Action request: Post would appreciate Department guidance on a response to Denmark's request that the USG weigh in with the three American companies in the same manner that the MFA weighed in with Haldor Topsoe.
MCCULLEY